

Sino-Soviet Bloc Economic Activities in Underdeveloped Areas

One of the principal characteristics of current Soviet policy is its stress on underdeveloped countries, in an effort to estrange them from the West and lay the groundwork for growing Soviet influence. In the needs of the new and underdeveloped countries of Asia and Africa for help in industrialization, the Soviet sees opportunities for influencing these states by providing assistance and by encouraging them to use Communist techniques. One of the principal Bloc weapons, has been the so-called "trade and aid" campaign, offering both arms and technical and economic aid on liberal credit terms.

By the end of 1957, the USSR and its satellites had extended credits and grants of nearly ^{\$2}~~\$2.9~~ billion to underdeveloped countries. In addition, there are now several thousand Bloc technicians in these countries. While the total of Communist aid, economic and military, does not approach ours, they have concentrated on certain countries where they feel they can make the greatest impact - Egypt, Syria, Afghanistan, Indonesia, India, Yugoslavia, Ceylon, Burma and Cambodia. In these countries over the past three fiscal years, the aid program of the Bloc, including Communist China, has been greater than our own. Since the end of 1957, aid offers to Yemen have been stepped up sharply. In return, the Bloc has been willing to accept otherwise largely unsaleable raw material surpluses, an appealing feature of its program.

*How much
aid in 1957?
India
Africa
China*

We have also seen a sharp increase in Sino-Soviet trade with the underdeveloped areas, which has been moving forward at a rate of 25 per cent a year. This is to say that 1957 trade was about 50 per cent higher than 1955.

The Soviet leaders are probably pleased with what they regard as their success to date, and will almost certainly intensify their efforts in this field. This program is now administered at the highest level in the USSR, the State Committee for Economic Relations, which is directly under the Council of Ministers. The USSR has the economic resources for a considerable expansion in its trade and aid program. Its extensive stocks of obsolescent arms will permit it to capitalize further on the desires of many underdeveloped countries to strengthen themselves militarily.